

Region booms with billions worth of new coal projects

By JIM MULCAIR

jim.mulcair@dailymercury.com.au

BILLIONS of dollars in new coal projects in the Mackay region are a major part of \$34 billion in minerals and energy projects under way across Australia.

The projects are included in a new report from ABARE (Australian Bureau of Agricultural and Resource Economics) Minerals and energy: Major development projects — April 2006 listing.

The section of the report tabling \$5.12 billion black coal projects in a broad Mackay regional sweep are detailed below.

While the massive scale of the projects will add to production and export capacity, report author Dr Brian Fisher sounds a warning.

Factors such as the scarcity of skilled labour, increased minerals and construction costs have caused delays for some projects, Dr Fisher said.

He said that with the exceptionally large number of projects in the

advanced stages of construction or commitment, it was unlikely materials and construction cost pressures would ease in the short to medium term.

Major expansion of coal export facilities at Mackay's Hay Point and Dalrymple Bay and Abbot Point near Bowen, worth billions, are on the list.

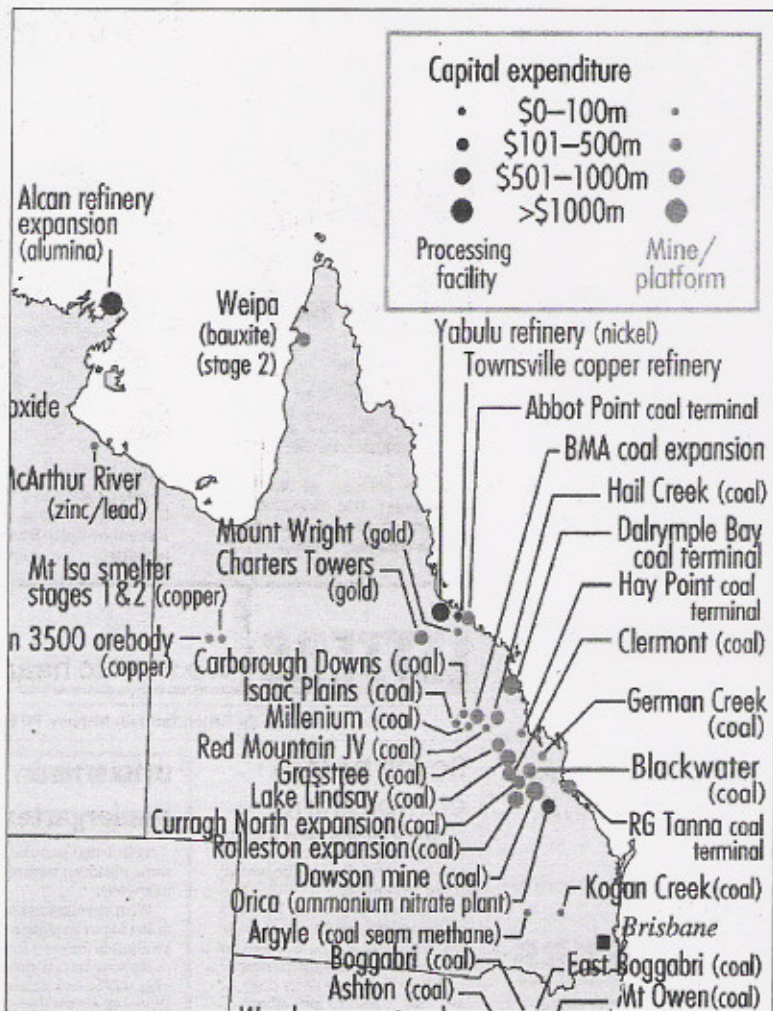
Across Australia there are 266 major projects in the advanced planning and construction stage.

Dr Fisher said the estimated total mineral exploration spending in 2005-06 was the highest since 1997-98, while the total mining spending in 2006-06 was the highest ever.

"This bodes well for the future development in the sector(s)," Dr Fisher said.

On top of the advanced projects ABARE listed another 166 less advanced or feasible works which may or may not proceed.

"(But) they provide a useful indication of the nature and extent of the future," Dr Fisher said.



UNDER WAY: This map details the major mineral and energy projects on the drawing board or under construction across Queensland. Source: ABARE.